

Mother Dairy looking to double revenues in next 4-5 years: MD

Evaluating the PLI scheme

MEENAKSHI VERMA AMBWANI

New Delhi, June 9

Mother Dairy Pvt Ltd, the wholly-owned subsidiary of National Dairy Development Board, is aiming to double its turnover over the next 4-5 years by strengthening its presence as a pan-India player. According to its filing with the Registrar of Companies (RoC), the company's total revenues crossed the ₹10,000 crore-mark in FY20. In an interview with *BusinessLine*, Manish Bandlish, Managing Director, Mother Dairy Fruit & Vegetable Pvt Ltd, said that despite the Covid-19 pandemic, FY 20-21 was a good year for the company with many categories growing in strong double digits. *Excerpts:*

You came on board as the MD in March, what is the key growth agenda that you have set for your team?

Mother Dairy, as we know, is a reputed brand and I believe the growth potential is significant for the organisation. We are servicing consumers in varied product ranges in multiple geographies and we are now focusing on strengthening our presence as a pan-India player.

We have a strong presence in the milk and milk-related products business, fruits and vegetables and frozen business with Safal and in the edible oils business with Dhara. For instance, in the milk business, we want

to strengthen our presence in the Western and Eastern regions.

As you are aware, we also have a big social responsibility as we work closely with large numbers of farmers and help them grow their incomes. So, if Mother Dairy grows, then it will increase our ability to service a larger number of farmers so that they can get their rightful earnings.

In FY20, Mother Dairy crossed the ₹10,000-crore mark in terms of revenues. How do you see this growing in the future?

We would ideally want to double our turnover in the next four to five years. We have presence in categories that have been growing at 20 per cent year-on-year and even during the pandemic there has not been any significant dip in these growth levels.

Mother Dairy is a well-established brand with strong credentials and we want to leverage on this to take big leaps in the future.

What's your view on the government's PLI scheme for the food processing industry?

We are seeing 40-50 per cent growth in the e-commerce channel.

MANISH BANDLISH
MD, Mother Dairy Fruit & Vegetable Pvt Ltd

The scheme will help grow domestic production and the food processing industry. We are currently evaluating the scheme internally.

What are the inflationary commodity pressures that you are facing, have you hiked prices?

For edible oils, we had to take price hike due to commodity inflationary pressures. But for milk and milk-related products, we have not taken any price hike despite chal-

lenges in terms of packaging material costs and other inflationary pressures. We are trying to absorb these costs and see how the pandemic plays out.

Last year, the company ventured into the new category of bread, besides strengthening presence in the frozen and immunity-boosting categories. What are the other white spaces you may foray into?

We are a unique organisation as we are not only an FMCG company but also a big retailer in the Delhi-NCR region, with over 2,000 touch points. A key focus will be to get more business from these outlets by becoming more relevant to the consumers. Frozen products is definitely one category that which we feel has a big opportunity, going forward.

Last year, we piloted 4-5 new SKUs that got good response and we will keep adding new SKUs. While we will

continue to explore categories synergistic to our current portfolio, broadly speaking, we would like to stick to the existing categories and further strengthen our presence in these businesses.

E-commerce segment has been growing significantly for packaged food companies. What are your plans in that space?

We are seeing 40-50 per cent growth in the e-commerce channel. We will also explore a hyper-local delivery model for doorstep delivery of products leveraging on the network of our Safal stores in the Delhi-NCR region.

Consumers are looking for convenience with doorstep deliveries and we would like to experiment to see how we can use our retail stores to deliver fresh fruits and vegetables, frozen products and value-added dairy products along with Dhara edible oils to consumers.

A pilot will be initiated in the next quarter.

